TRAVEL CARD PROGRAM

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Program Size

		FY02	FY03
Cardholders		1.3M	1.1M
Spend	IBAs	$2.4B	$2.4B
	CBAs	$1.3B	$1.4B
	Total	$3.7B	$3.8B
Rebates		$4.7 M	$7M
Delinquencies		$16.4 - $26.9M	$10.4 - $17.4M

FY03 Actions Taken

- Reached historic low of 4.8% delinquent dollars in
  1.7% of all cardholders
- Closed approximately 500K unused accounts (68K
- Closed approximately 6,500 accounts after separa
- Implemented mandatory split disbursement for m
  default for civilians
- Added an exemption from mandatory use for trave
  deployments
- Reconfirmed frequent travel subject to mandatory
  more trips per year (Navy has exceptions)
- Published Guidance on Disciplinary Actions relate
- Navy and Army pilots on debit cards
- Monthly reports on charges against blocked merc
- DoDIG work on datamining
- Automated stop orders for salary offset
- Identified potential civilian retirees for salary offs

Unfinished Business

- Charge off of mission-critical accounts
- Implementation of Creditworthiness Evaluati
- Reinstatement of cancelled accounts
- Duplicate open accounts
- Accounts with erroneous SSNs
- DTS enhancements
- Datamining methodology
- DoD-wide mandatory training
- DoD-wide reference guide for all charge card
- Implementation of salary offset for retired civ
- Attachment of final separation pay for delinqu
- CBA related control weaknesses regarding pr
  duplicate payment of airfare, misuse
- Improved review of accounts after separation
- Review of restricted accounts with limit incre
- Prepaid cards

Charge Card Task Force/MID 904 -

CO 1 - Guidance on Stewardship of Resources - DEPSECDEF
CO 3 - Positive Control of Cards at Separation
TC 1 - Development of Management Metrics
TC 2 - Implementation of Split Disbursement
TC 3 - Review and Reduce Infrequent Travelers with Cards
TC 4 - Component Review of Infrequent Traveler Definition
TC 7 - Evaluate Alternatives to Travel Charge Card
TC 8 - Exemption for Mandatory Travel Card Use for

En-Route Travel

TC 10 - Investigative Agencies Coordination with Security Managers
TC 12 - Increase Awareness of Training Materials

Charge Card Task Force/MID 904 -

CO 2 - Assigning Program Responsibility
CO 4 - Data Mining for Purchase and Travel C
TC 5 - Expand Salary Offset - Civilian Retirees
TC 6 - Investigate Voucher Settlement Process
TC 9 - Evaluate Control Mechanisms in DTS
TC 11 - Review Compliance Sections of Regula
TC 14 - Cardholder Training
TC 16 - APC responsibilities, span, training
TC 17 - EAGLS access termination

IBA Program

- **IBAs are the financial responsibility of the cardholder (NOT the government)**
- **Command responsibility to ensure program is not abused - Deputy Secretary of Defense memo to Services/Agency Heads June 21, 2002**
- **Pre-suspension and delinquency reports combined with split disbursement can help reduce delinquencies**
- **Failure to pay debt can be basis for disciplinary action for both military and civilians**

CBA Program

- **Delinquencies still at or below 3% go**

- **GAO Continuing Audit to Assess con**
  - **Premium travel findings**
  - **Unused tickets**
  - **Payment on both CBA and IBA**
  - **Misuse**

- **Interim Guidance on Responsibilitie**
  Certifying Payments

- **Interests claims**

Frequently Asked Questions

What authority requires that I use a travel card and where does it say so?

Answer: Public Law 105-264 prescribes mandatory use of the travel card. Volume 9, Chapter 3 of the DoD Financial Management Regulations carries out the require and provides the exceptions (www.dod.mil/comptroller/fmr)

What authority requires me to split disburse my travel payments and where does it say so?

Answer: Public Law 107-314, Section 2784a gives DoD the authority to implement split disbursement. Memorandum from the DoD Comptroller dated 23 Apr 03 implements that

Frequently Asked Questions

What if I can't pay my bill because I haven't received my reimbursement?

Answer: Individually billed accounts are the obligation of the cardholder. There is no condition on payment after reimbursement. Accounts not paid after 60 days are suspended. Late fees begin to incur at 75 days. However, if the government is responsible for the delay in payment, late fees are reimbursable and the APC can contact the Bank to keep the account from suspending or to reinstate it.

How can be placed in salary offset without anyone notifying me?

Answer: The Bank sends a notice for salary offset to the address of record in EAGLS at the 90 day delinquency point - 30 days prior to referral to DFAS for salary offset.

Frequently Asked Questions

What if I prefer to use my own card instead of the government card?

Answer: Public Law 105-264 prescribed mandatory use because it saves the Department money. City pair discounts are only available on government charge cards under the SmartPay contract. Vol 9, Ch 3, Section 030301 reflects that failure to use a card may subject an individual to administrative or disciplinary action.

What if I can't get a card?

Answer: Individuals who are not eligible for a card, or are exempt from its use, including those whose card was previously cancelled or have poor credit, are eligible for an advance. Vol 9, Ch 3, Sections 030302 and 030303 provide for exemptions from mandatory use. Section 030302.A.2.b clarifies that individuals who refuse the card are not exempt from its use, therefore they are not eligible for an advance.

Training &Tools Available

- **DON e-Business web training**
- **General Services Administration**
- **VISA Moneychoices web-site**
- **Bank of America**
  - **Desk top reference guide (CD-ROM)**
  - **EAGLS (Electronic Account Government Ledger**
  - **User training (Norfolk and on-site)**
  - **Government Card Services Unit Technical HelpD**
    www.gcsuthd.bankofamerica.com
  - **Government Card Services Unit worldwide 800 n**
    1-800-472-1424

Training & Tools Available

- **EAGLS Reports Available to APCs and CPMs**
  - **Aging Analysis (30/60/90/120/150/180 days past due)**
  - **Delinquency (60+ day past due)**
  - **Pre-Suspension (45 days past due)**
  - **Transaction Activity (account info)**
  - **Insufficient Funds (exception report)**
  - **Authorization/Declines**
  - **Lost/Stolen Cards**
  - **Infrequent Traveler (cards expiring without use)**
  - **ATM**
  - **Non-Travel Activity**